

## Savings Plus Updates Its Publications

We're pleased to announce that the Savings Plus *Investment Guide* and *Summary Plan Description* (formerly known as *Getting Started in Savings Plus*) have been updated to make them easier to read. We took this action in response to participants' feedback and a review of similar documents published for other major deferred compensation plans.

### Investment Guide

The *Investment Guide* explains "asset allocation" and how to choose an asset allocation strategy. To effectively build your assets to meet your retirement income needs, you need an asset allocation strategy.

To choose a strategy, take the Ibbotson Questionnaire on page 7 of the *Investment Guide* — it's also available at [www.sppforu.com](http://www.sppforu.com) under Planning Tools. Based on your responses, it identifies your "investor profile" and guides you to a model portfolio, which contains the asset categories that fit your profile and the percentage of your total portfolio you should allocate to each category. That's your asset allocation strategy.

Once you complete the questionnaire, use the "Fund Worksheet" on page 11 to construct a portfolio to match your investor profile. Before selecting funds, read the funds' Investment Objectives and determine where each fund falls on the asset allocation spectrum. **Fund prospectuses/fact sheets can be obtained by calling 866-566-4777, (Press \*0). Before investing, carefully consider the funds' investment objectives, risks, and charges and expenses. The prospectuses/fact sheets contain this and other important information. Read the prospectuses/fact sheets carefully before investing.**

If you want to simplify your investment selection process, just choose an Asset Allocation fund. Each Asset Allocation fund is balanced to match the five Ibbotson Investor Profiles, so all you need to do is put 100% of your assets into the one fund that matches your Investor Profile and you're on your way.

### Summary Plan Description

Our *Summary Plan Description* handbook should be your first resource when you have questions about the program. Written in plain language, it explains the similarities and differences between a 401(k) plan and a 457 plan. Topics include; annual deferral limits, how to purchase service credits, change an address or beneficiary, plan your payout options, and lots of other useful information.

To obtain these publications, call customer service at 866-566-4777 (press \* 0). You also can access the publications on our Web site at [www.sppforu.com](http://www.sppforu.com) (click Plan Info and Forms, then Forms and Publications).

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# Coming in May/June — Retirement Planning



In May and June, CalPERS will host 19 Retirement Planning and Resource Fairs throughout the state for employees to get information on retirement planning. The theme for this year's event: *"Plan Now. Have a Choice."*

Savings Plus staff will be on hand at all 19 events. We'll tell you how a Savings Plus account adds to your pension income and answer any questions. Our staff can help you understand such program features as age-based "catch up," lump sum contributions, and rolling over 401(k) or 457 plan balances from former employers' plans into your SPP account.

The chart to the right provides general information on the fairs. For specific details, such as addresses and times, check the Spring edition of CalPERS' *Perspective* or visit the CalPERS Web site ([www.calpers.ca.gov](http://www.calpers.ca.gov)). SPP will also post this information on our Web site ([www.sppforu.com](http://www.sppforu.com)) on the Employee Services & Information page.

Locations	Dates
San Luis Obispo: Library	May 4, 5, and 6
Fresno: SCIF & CalPERS Regional Office	May 10 and 11
Santa Clara: Co. Office of Education	May 16
San Francisco: CalPERS Regional Office	May 17
Sacramento: CalPERS Regional Office	May 19
Sacramento: CSUS Campus	May 25 and 26
Redding: Shasta College Campus	June 1
Glendale: CalPERS Regional Office	June 6 and 7
San Diego: CalPERS Regional Office	June 13 and 14
Riverside: Co. Office of Education	June 20 and 21
Orange: CalPERS Regional Office	June 27 and 28

# Quarterly Statement Changes

When you review your statement, notice the new section titled “Summary of Earnings, Withdrawals, and Transfers Out.” It appears between the sections “Summary by Source of Contribution” and “Activity for the Period.”

The YTD information includes the activity under these categories from January 1 through December 31 of each calendar year.

The table to the right provides the definitions of the Summary of Earnings, Withdrawals, and Transfers Out section. Below the table you’ll see a graphic of this new section.

Category	Definition
Earnings	The total of all Dividends, Capital Gains, Interest and both realized and unrealized Market Gains/Losses.
Withdrawals	The total of all distributions (e.g. periodic/annual, supplemental, or lump sum payments, Required Minimum Distributions, and rollovers).
Transfers Out	The total of transfers to purchase service credit and/or total transferred to the Schwab PCRA.

## Summary of Earnings, Withdrawals, and Transfers Out

Source Type	This Period	Year to Date
<b>401(k) Thrift Plan</b>		
Earnings	\$41.64	\$41.64
Withdrawals	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00
<b>457 Deferred Compensation Account</b>		
Earnings	\$31.24	\$31.24
Withdrawals	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00

# Excessive Trading Revisited

It has been some time since we've reported on the issue of “excessive trading.” However, we need to bring it up again given that occasionally we detect a small number of participants using this investment scheme.

Excessive trading, also known as “market timing,” is the practice of buying and selling fund shares frequently in an attempt to profit from discrepancies between a fund’s share price and the value of the funds underlying holdings (stock or bonds). This practice can adversely affect fund performance for long-term shareholders. Additionally, rapid trading can increase expenses for a fund and result in higher fees over time for all shareholders invested in the fund.

To protect participants from the potential negative impacts of market timing, SPP has the ability to identify participants with unusual exchange activity and can restrict future trading activity for these participants. Although the practice had been greatly publicized in the International market, fund restrictions can apply to all investment categories. Consult the fund’s prospectus or fact sheet to determine the trade restrictions applicable to each investment fund.

# A New PCRA View on Schwab.com

If you have a Self Directed Brokerage account, through the Schwab PCRA, good news! Charles Schwab, Inc.® has just announced that schwab.com now includes a new feature — a tab dedicated to PCRA. Once you have logged into your self directed brokerage account, the Schwab Personal Choice Retirement Account® (PCRA) on schwab.com, the new PCRA tab will be accessible.

Schwab's new PCRA view should provide you with a better user experience, making it easier to find useful information about PCRA. New features will continue to be added to this site.

## Investment Fund Update

### FUND INVESTIGATIONS

No items to report.

### FUND MANAGER CHANGE

No manager changes.

### WATCH LIST

### CRITERIA

No funds met the SPP Watchlist Criteria.

N/A

### WATCH LIST CRITERIA:

- 1 Did not meet the established performance standards (benchmark/peer universe) over preceding 3/5-year period
- 2 Investment manager changed or such change appears imminent; this change may have detrimental effect on fund
- 3 Significant change in ownership or control of the fund provider
- 4 Material change occurred in investment focus/strategy, capitalization, or investment style
- 5 Substantial portfolio turnover within the fund
- 6 Violation of a Security and Exchange Commission rule or regulation
- 7 Fund experienced difficulty transacting trades, fund transfers, or pricing
- 8 Fund experienced problems in procedures or operations, which may detract from Savings Plus objectives
- 9 Violation of contract terms



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### How to Reach Us

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